

Agricultural Situation



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Let's see how many cotton squares in your dress. That's how Statistician John J. Morgan reacts when he meets the pretty Maid of Cotton. Patricia Anne Cowden, 21, of Raleigh, N. C., visits the USDA during her busy schedule of helping the National Cotton Council and USDA expand cotton markets.

HOW MANY COTTON SQUARES IN THIS MAID'S DRESS?

Cotton farmers know that the true cotton square is the fruiting bud of the cotton plant which may produce a flower and later may, or may not, develop into a mature boll of cotton.

So, how many real cotton squares are there in the Cotton Maid's dress which took about 5 square yards of cotton goods?

This question presents a tremendous challenge to the cotton farmer and the Crop Reporting Board in estimating cotton production. Let's take a look at some of the problems and unknowns in estimating production at the time the crop is in the squaring stage.

During about the first 40 days after germination, depending on temperature, no flower buds are visible. In the meantime, leaves are increasing in size and internodes are growing in length along the main stalk which is topped by a terminal bud.

About the 40th day, a fruiting limb begins to emerge in the axil of a lower leaf. A square develops on the first node on that limb. The plant is now on an interesting time schedule of development.

In about 3 days after the first square shows up, another square will appear.

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Articles In This Publication

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on a fruiting limb growing from the axil of the next leaf up the main stalk. The succession up and around the main stalk continues on a 3- to 4-day schedule as the plant increases in height, slowing down some as nights get cooler.

While this upward march is in progress, the fruiting limbs are increasing in length, growing horizontally, or outwardly from the main stalk. New squares appear along each fruiting limb on a 6- or 7-day schedule as the fruiting limb increases in length.

In the northern half of the Cotton Belt, a large portion of the crop is produced from squares on the plant August 1. In extremely late areas of the Belt, and for some late crops in other areas, most of the crop develops from squares produced after August 1. The study of squares in relation to yields, therefore, is an important phase of the estimating problem, particularly for the August 1 cotton forecast.

Vigorous plants, especially those with wide spacing between plants, produce vegetative branches, or supplemental stalks. Under optimum conditions, one cotton plant with side branches could produce several hundred squares in 12 weeks from the date of the first square. If every square made a boll (which, of course, doesn't happen), you could have a potential of at least 10 bales to the acre.

With such a tremendous potential, what are the factors which limit the cotton yield? Well, of major importance are the physical properties of the soil, plant food, moisture, weather conditions, and insects.

Don't forget that the plant is in its most vigorous state of growth during the early squaring stage. There is usually ample vitality for growth of

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plant frame and young squares. The early squares have a good chance of developing into bolls. Most studies show that around 90 percent of the blooms produced during the first week or 10 days of flowering make bolls. The percentage drops sharply thereafter and plants usually acquire their full load of bolls by the fifth or sixth week after the first flower.

Growth Varies

The time table of the fruiting rate is not affected very much by the growth rate. On the dry side, growth is slow, internodes are short, and plants are compact. Up to a certain time, there are about as many squares on the compact plant as on a lush plant of the same age. The lush plant, however, continues to produce squares. Under some stress, the plant tends to hold a higher percentage of the squares and the production appears large in relation to the size of the plants. Plants growing under more normal conditions set a smaller percent of the total number of squares, but, fruiting over a longer period, there are so many more of them that production on large plants generally is in excess of that for small plants.

Insects are also of tremendous importance in limiting production. The small squares may be stung during early stages of growth or punctured by boll weevils or worms.

An old "thumb rule" suggests that half of the squares will produce flowers and one-half of the flowers will stay on and produce cotton. That's saying that about one-fourth of the squares will produce cotton.

Cotton farmers will agree that there is no pat formula for estimating final production for the farm when plants are just beginning to bloom. There are too many uncertainties or unknowns. However, there are several factors that throw light on possible production. Productivity of the soil, weather conditions, and plant growth, and the lateness of the date the plants begin to bloom are very important factors.

A count of squares per plant or hill at the time of the first bloom should

be a valuable clue to the potential crop. These are the squares that will make the bulk of the crop over most of the Cotton Belt.

Then, counts made 3 weeks later will show how many of the former squares have progressed to the small boll stage, and the percentage set to date can be computed. In addition, squares on the plant at that time should be counted.

In about three more weeks, the small bolls from the first set of squares will be large bolls. At that time—that's 6 weeks from the time plants begin to bloom—the plant normally has its full load of bolls including those still in the small boll stage. Separate counts of the large and small bolls should be made. In estimating the number of small bolls at this stage that may still make cotton, remember to consider your soil moisture, plant vigor, and insect infestation. Then, check yourself later on how many of these small bolls actually make cotton.

When you record this type of basic information for several seasons, you can establish a pretty good method for your particular farm. Don't forget to take into account from year to year any changes in soil moisture, plant vigor, and insect infestation.

In our research program during the past two years, we have followed about the same pattern. Of course, we are estimating cotton on a much larger scale than farmers who are concerned with estimating production for their own farm.

Yes, the plant's square story is very interesting and, if followed closely, it may tell the size of your crop fairly early in the season.

Here's the Answer

And now, to answer our question on how many cotton squares in the dress worn by the Maid of Cotton on page 1. The dress is equivalent to about 1,600 cotton squares, including those squares which failed to stay on the plant. Counting only those squares which made bolls, it represents about 400 squares.

John J. Morgan
Agricultural Estimates Division, AMS

Dairymen May Get Higher Prices Even With Milk Production Up

Most farmers can expect some increase this year over the average price they received for their milk in 1955. Sales of milk by farmers are showing a sizable increase. Altogether, therefore, it is practically certain that cash receipts from dairy products this year will be substantially above 1955 and will approximate the record 4.6 billion dollars of 1952. Dairymen's costs also continue high, however, so that the increase in net income (keep-at-home pay) may not equal the increase in gross cash receipts.

Prices up

In April, support prices for manufacturing milk were increased 10 cents per hundredweight. The Government raised the purchase price for butter 2 cents per pound and that for cheese 1 cent per pound to carry out the increase in support prices.

In many Federal order market areas, returns to dairymen are being increased through certain suspension orders and amending actions which eliminate the usual seasonal declines in class I prices for the late spring and summer months. This has the effect of increasing class I prices in these markets over levels provided by the existing formulas by amounts ranging from the equivalent of less than one-half cent per quart to more than a cent.

While milk and butterfat prices are considerably lower than a few years ago, prices for feeds and meat animals have declined even more. From the latter part of 1955 through April 1956, the relationship of dairy prices to feed and other livestock prices was more favorable than it had been in some time. More recently, prices for both feeds and hogs have been increasing relative to prices for milk and butterfat. These price relationships may not be as favorable in the next 6 months as they have been in the past 6 months. Nevertheless, indications point to a

record output of milk in 1956, probably at least 127 billion pounds, compared with 123.5 billion in 1955.

Consumption of fluid milk and several of the manufactured dairy products will show an increase in 1956 over 1955 in total, if not per capita. The gain in total consumption of milk and its products may about equal the increase in milk production. Consequently, the volume of price-support purchases in the 1956-57 marketing year probably will be near the 1955-56 total of 5 billion pounds, milk equivalent, which was 4 percent of farm production.

The number of milk cows on farms has changed little for several years, but rapid strides have been made in methods for feeding and handling milk cows, and in increasing their potential productive capacity. Although the milk-feed price relationships are becoming a little less favorable than they have been in the months just past, production of milk per cow for the United States as a whole is likely to approximate the 6,000-pound figure this year for the first time. Pasture conditions, of course, can influence the rate. The rate per cow first reached 5,000 pounds only as far back as 1947, an increase of 1,000 pounds in 9 years, a little over 2 percent per year, on the average.

California Is Highest

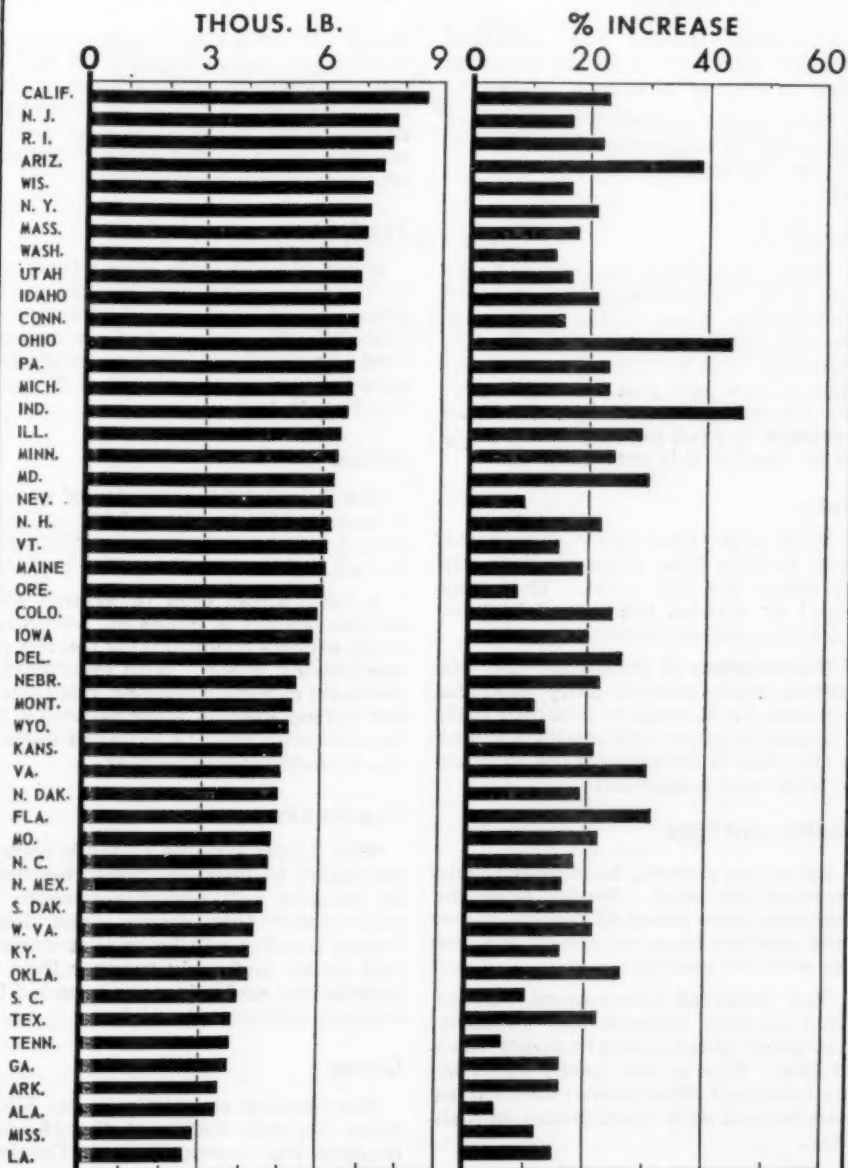
The average production per cow varies markedly among States. In 1955, it ranged from a high of 8,550 pounds for California to 2,670 pounds for Louisiana. The average production per cow for 1955 showed an increase over the 1941-45 average ranging from less than 10 percent for Alabama, Tennessee, Oregon, and Nevada to more than 40 percent for Ohio and Indiana. State-by-State comparisons are presented in the chart on page 5.

Herbert C. Kriesel

Agricultural Economics Division, AMS

MILK PRODUCTION PER COW

Av. Production in 1955, and % Increase over 1941-45 Av., by States



U. S. DEPARTMENT OF AGRICULTURE

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AGRICULTURAL MARKETING SERVICE

Outlook

Consumer income has advanced steadily and will probably continue high in coming months.

Farm product prices in general have continued to rise in recent months following the seasonal peak in marketings.

Livestock

Market supplies of hogs and of heavy fed cattle, large throughout the fall and winter, have turned downward. The reduction is partly seasonal. Hog slaughter after midsummer will be less than in the past year but cattle production will continue large. From all evidence, the fall pig crop seems likely to be smaller this year than last.

Dairy

With larger sales and higher prices, cash receipts from dairy products will be above the 1955 level. They may equal or surpass the record high of 4.6 billion dollars received in 1952.

Consumption of fluid milk and the several manufactured dairy products will show an increase in 1956 over 1955. The gain in use of milk and its products is expected to about equal the increase in farm milk production.

Poultry and Eggs

Egg prices probably have passed their seasonal low point. Broiler prices in mid-May were about 22 percent below 1955 and are likely to remain low for the next few months.

The hatch of heavy-breed turkeys from January through May probably was about about a fourth larger than in 1955. This is only partly offset by an estimated 20-percent reduction in hatchings of light-breed poults through May.

Fats and Oils

Soybean prices in mid-May were 26 percent higher than a year earlier.

Heavy crushings are being encouraged by a strong export demand for edible oils. Strength in edible oils influenced lard prices, which moved up somewhat despite large stocks. Flaxseed prices moved upward in May under the stimulus of a strong world demand.

Feed

Prices of most feeds have advanced, as the large quantities placed under price support have limited "free" supplies. The carryover of feed grains into 1956-57 probably will be around 10 percent larger than the record of 39 million tons in 1955.

Wheat

The July 1, 1956, carryover of wheat is expected to be about 1,080 million bushels, of which CCC may own or control all but around 55 million bushels.

A 1956 wheat crop of around 870 million bushels is indicated, assuming about average conditions for the rest of the growing season. With total disappearance currently running just under 900 million bushels, some reduction in the carryover may be expected during the 1956-57 marketing year.

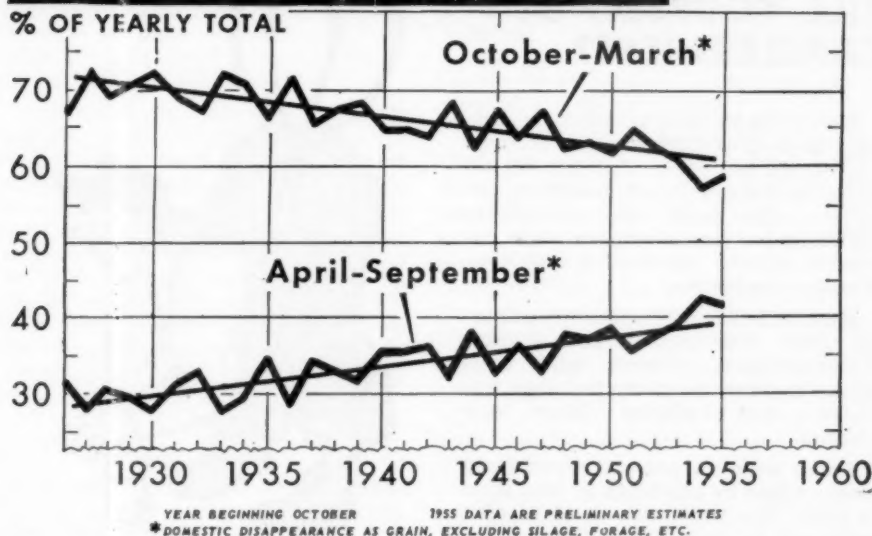
Vegetables

With larger supplies of fresh spring vegetables in prospect, prices received by farmers will probably average a little lower this spring than last. Potato supplies will be smaller during late spring and early summer than a year earlier, and prices are expected to average substantially higher.

Cotton

The monthly average price for Middling $1\frac{5}{16}$ -inch cotton at the 14 spot markets has increased since October and in May amounted to 35.48 cents per pound. This price rise has accompanied a large movement of cotton into CCC storage.

Increasing Share of Corn Being Used in Last Half of Feeding Year



U. S. DEPARTMENT OF AGRICULTURE

NEG. 3119-56 (5) AGRICULTURAL MARKETING SERVICE

FARMERS are feeding a larger percentage of corn during the last half of the October-September marketing year than they did 30 years ago.

In the late twenties, about 70 percent of the corn harvested as grain was consumed during October-March and only 30 percent during April-September. Today about 60 percent is used in the first half and 40 percent in the last. This means that at the present level of domestic consumption, about 250 to 275 million bushels of corn consumed as grain has been shifted from the first to the second half of the marketing year.

Heavier feeding in the winter is largely the result of increased grain requirements when little feed is available from pastures and ranges. Also farmers generally have concentrated the feeding of cattle and hogs as much as possible in the fall and winter when corn is plentiful and relatively cheap.

A number of factors have contributed to the increase in corn consumption during April-September. Probably the most important of these is that hog producers have advanced the farrowing dates of their spring pigs and increased the feeding rate in the summer to obtain faster and more efficient gains and to meet the more attractive late summer or early fall market. This has increased corn consumption in the July-September quarter and reduced feeding from the new crop after October 1.

Other important developments that have increased corn requirements during April-September are: The trend toward year-round fattening of beef cattle; the relatively heavier feeding of dairy cows during the summer; and the marked increase in broiler production.

This subject is covered in more detail in the *Feed Situation*, May 1956, AMS.

Malcolm Clough
Agricultural Economics Division, AMS

ARE YOU GOING TO KILL YOURSELF BY CARELESSNESS?

More farm workers are killed by accident than in any other major occupation—3,700 last year. Another 310,000 farm workers suffered disabling injuries. The death rate from farm accidents per person employed was exceeded only by the mining and construction industries.

Farm safety is predominantly a family affair. The total number of farm residents—men, women, and children—killed by accidents last year was 13,000. And 1,100,000 others were disabled.

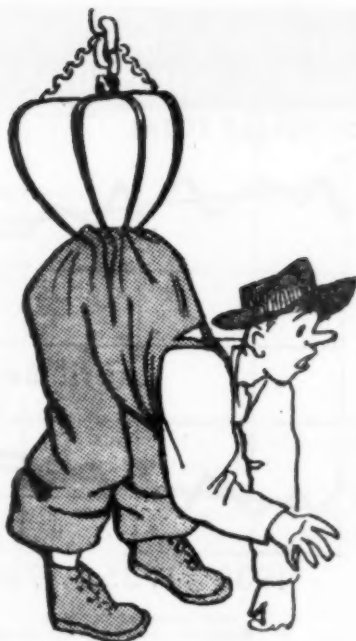
There were 16 percent fewer farm people killed by accidents in 1955 than in 1950. But there was an 11 percent reduction in farm population in the same period. The National Safety Council estimates that the accidental death rate of farm residents declined from 62.4 deaths per 100,000 population in 1950 to 58.5 in 1955. There was only a 6 percent reduction in accidents in the 6-year period.

Now, while we are grateful for the improvement, 1 percent reduction per year is far too slow. We must do better.

Dangers Increase

We cannot, and we will not, rest easy with a cumulative reduction in the accident rate of 6 percent in 6 years. Yet, in another sense, this is a significant gain in view of the vast expansion of farm mechanization, electric power and other factors requiring special safety knowledge and skills.

During the past 20 years, farm output per man-hour has doubled. Nearly 95 percent of American farms now have electric service. About 80 percent of farm production is mechanized. Power consumption involves exposure to the hazards of volatile fuels and power driven machinery.



Don't wear loose and floppy clothes around machinery!

New and more lethal and toxic pesticides are in common use. Processing and storage of a great diversity of feed, forage, food, oil, and seed crops on farms have increased accident and fire hazards.

The modern farmer works many hours alone, usually as his own manager. He must be master of a wide range of practical knowledge and skills.

There are other factors peculiar to farming which make the 3,700 work deaths last year only a part of a much greater farm safety problem.

The farm home is close to the farm yard and buildings. This exposes farm children to farm accident hazards. It involves youth in work accidents for lack of safety training.

In more than 10,000 fatal farm accidents from 1950 to 1953, exclusive of transportation and home accidents, 3 out of 10 of the victims were less than 20 years of age. One out of 12 was under 5 years of age.

About 1,100 farm people lose their lives in tractor accidents every year. More than 30 percent of the victims are less than 20 years of age, and one study showed that 1 out of 6 was under 10 years of age. Another study revealed that one-third of tractor fatalities occurred on highways.

This is another peculiarity of farm hazards. Motor vehicles are the principal killers of farm people. Over 40 percent of all accidental deaths to farm residents occur in motor vehicle accidents, most of them off the farm. Rural highways are more hazardous than the city streets. Three-fourths of all fatalities from motor vehicle accidents in the United States occur on the rural highways where farm trucks and tractors and the family automobile must travel.

Job for Family

Yes, farm safety is a family affair. The farm and home are one unit. Farm work affects the safety of the farm home. There are 5 disabling injuries in farm homes for every 3 in farm work. There were nearly as many fatal accidents in farm homes in 1955 as in farm work. Farm safety, therefore, is a family affair. We've been attacking it from that angle. The farm safety problem involves the protection of every member of the family from the accident hazards of the farm, the home and the highway.

We include safety information in many of our Department bulletins. Special bulletins on accident and fire prevention, issued and revised from time to time, are in greater demand than we have been able to supply. This indicates the interest of our farm people in this vital subject. Fact sheets on accident and fire prevention are issued three times a year. Farm press and radio packets of the National Safety Council and the National Fire Protection Association are also made available.

Research is needed, including the development and testing of sound safety information, rules and practices. Modern farming is not only mecha-

nized and electrified. It also depends on a long list of chemicals for fertilizers, herbicides, fungicides and insecticides, many of them poisonous. Some are toxic through the skin and by inhalation. Some are also explosive. Special safety precautions must be known by all farmers for safe use and storage of these chemicals.

Modern farming continues to have many of the older hazards from livestock and buildings. While methods of handling livestock have been made safer, the increased processing and storage of agricultural products on farms multiplies the hazards associated with chopping and elevating silage, hay and grain, drying grain or hay, storing crops with high moisture content, curing various crops and refrigerating others. There is also the constant hazard of fire and wind and sometimes flood.

"Safety Is No Accident." Farm people can protect themselves best with sound safety attitudes, rules, and practices. The ability to prevent accidents needs to be developed by every farm family.

For many years farm people have been engaged in their own organized efforts for fire and accident prevention. Farmers' organizations offering insurance for such farm risks are leading safety activities among farmers throughout the country.

Needless Loss

Farm people are concerned deeply about the terrific toll of deaths and disabling injuries resulting from needless accidents. They are also aware that accidents cause financial loss, equivalent to \$1,500,000,000 annually.

It is therefore particularly fitting that in the 13th annual observance of National Farm Safety Week July 22-28, this year, the theme "Safety Pays All Ways" will be emphasized. Last year the theme "Your Safety Is in Your Hands" typified the responsibility farm families place on themselves for safety.

Ezra Taft Benson
Secretary of Agriculture

WHAT EVERY HOG PRODUCER SHOULD WATCH OUT FOR

Every hog producer is well aware of the hog situation, that is, if you're talking about how much cash he gets for his hogs. But, let's get in the hog lot and look at these 6 factors and the trends back of the hog situation:

- Hog-Corn Ratio
- Total Slaughter
- When Hogs Are Sold
- Marketing Charges
- Other Meats Compete
- Meat-Type Hogs

Since about half of the total corn production is usually fed to hogs, the production of hogs has traditionally been geared to the quantity of corn produced.

Hogs and Corn

Price supports and storage programs for corn may have lessened somewhat the direct connection between corn supplies and hogs produced. However, the hog-corn price ratio—the number of bushels of corn which can be exchanged for 100 pounds of hogs—still appears to remain a controlling influence.

The hog-corn ratio has been trending upward over the past 25 years. With the larger usage of concentrate supplements and higher charges for labor and overhead, corn comprises a smaller percentage of the total production costs.

There is a rather striking close relationship between the fall hog-corn price ratio and the following spring changes in the number of sows farrowing. Since 1924, there have been 5 periods of 2 or 3 years of successively increasing numbers of sows farrowing. Following each of the first 4 of these periods, the number of sows farrowing has decreased 2 or 3 years successively. Incidentally, hog producers have indicated this year their intention to reduce the number of spring pigs.

Of course, one of the important reasons for the price decline last fall was the increase in marketings during 1955. The total slaughter of hogs in 1955 was estimated at about 81.1 million head, about 13 percent more than in 1954.

After a period of several years of increasing production, slaughter usually reaches a peak the year after pig crops reach their peak. This year's slaughter is expected to total more than last year.

The seasonal peak in marketings of the spring pig crop usually comes in either November or December. Sometimes there is a secondary seasonal peak in early spring when fall pigs are marketed in larger numbers. This is followed by a summer "trough," after which pork production again increases sharply during the fall. Seasonal highs in marketings are usually associated with seasonal lows in prices. However, the seasonal changes in prices are not as large percentagewise nor as consistent as the seasonal changes in marketings.

Wider Margins

Since 1947, marketing margins have widened 6.2 cents a pound, or at an average annual rate of about 0.8 cent a year. There were some rather substantial fluctuations in marketing margins within the year during this period. On the average, the margin for converting 1.82 pounds of live hog on the farm to 1 pound of pork at retail store was about 1.8 cents more during the second half of the year than the first half. This is equivalent to an increase of about \$1 per 100 pounds live weight in the marketing bill in the late summer and fall. A part of this seasonal increase in marketing margins may be due to the seasonal increase in the number of hogs marketed in the fall which actually represents changing demands for marketing services.

Another factor influencing the seasonal pattern of the overall marketing margin is the tendency for wholesale price changes to lag behind changes in farm prices, and for retail prices to lag behind wholesale prices.

For pork producers, an even more critical situation stems from the indications that pork has been gradually losing ground in relation to beef in the consumer's favor. Expenditures for both beef and pork have fluctuated considerably over the past 40 years. The percentage of income spent for beef, however, has maintained a relatively stable trend, while the proportion spent for pork has trended downward. During the 1920's, consumers spent about 3 percent of their income on pork and about 2½ percent on beef. In 1955, consumers spent about 2¼ percent of their income on beef and only 1.9 percent on pork.

Demand Has Changed

There has been a gradual change in consumer preferences for different pork items over a long period of time. In the early part of the period from 1905 to 1955, lard was higher priced than any other pork item; today it is the cheapest major pork product. It's worth only about one-third the price of most of the lean cuts. Bellies, which are sold primarily as bacon, are in an intermediate position. Bacon prices have not increased as much as prices of the lean cuts over the years, but much more than the price of lard.

The declining prices of lard relative to prices of lean cuts mean that more and more of the total value returned for each hog has had to come from the lean cuts. The lean cuts contributed about half of the total value of the hog in 1905, but about two-thirds of the value in 1955. On the other hand, lard contributed about 24 percent of the total value in 1905, but only 12 percent in 1955. Constant yields for the different pork items were assumed for this comparison of prices and the values.

With the changing price relationships for lard and lean cuts which have

taken place during the first half of the century, it is rather interesting to note what has taken place in the production response to these changing price trends. We are producing almost the same proportion of lard, about 1 pound of lard to 4 pounds of pork, as we did at the beginning of the century.

Now this does not mean that we haven't changed the type of our hogs during the last 50 years. We have had several swings back and forth from the chunky to the meatier kind. The average market weights have changed too. Weights of hogs slaughtered under Federal inspection, which averaged 225 pounds from 1921 to 1925, were up to 249 pounds from 1947 to 1951, and have averaged around 242 pounds in recent years.

These heavier marketing weights probably offset to a certain extent, at least, the effects of the trend toward the newer meat-type strains and breeds which have been developed lately.

The new closer trim on pork cuts adopted by packers last fall also would increase the yields of lard if it were carried on throughout the entire industry. Lard yields have been fairly high recently.

Lard is, of course, a byproduct. Moreover, it's a joint product. But we know it isn't produced in a fixed relationship to the yield of lean meat.

Improvements Needed

Our pricing system for pork and for hogs may be a little weak in carrying the necessary price incentives all the way back to the farmer to encourage a change in the type of hogs produced. In the first place, consumers are not given an adequate opportunity to discriminate in terms of price against the fatter pork chops and pork roasts and other cuts they see in the display case. And second, there is still not enough grade sorting in marketing. Not enough hogs are sold by grades or by quality differentiation.

Gerald Engelman
Marketing Research Division, AMS

"Bert" Newell's **Letter**

Are you like I am about observing such things as your wife's new dress or a new hat, things such as that? I observe them, honestly, but I just forget to say anything. Take last Sunday for example. We were getting ready for church. My wife was buzzing around getting her gloves and doing last minute things like ladies do. She had on a pretty blue summery kind of dress—I didn't remember seeing it before—and a cute little flat piece of white straw they call a hat that was just as perky and cute as a button. It amazes me how ladies can keep those things on their heads. Yes, she really looked pretty as a picture and I felt downright proud of her but, and another but, I didn't say a thing.

After a few minutes she said, "Well, I'm ready. I guess I don't look too awful." I said, "What are you talking about, you look swell. I like that dress and that little white thing you call a hat sets off your blue eyes just fine". "Oh", she says, "it's too late now. You didn't say a word until I fished for it." Well, take my time! Why didn't I say something sooner. Now I'll be on the alert for awhile, and like as not, the next time she shows up in something that looks a little different, just to be on the safe side I'll say, "Gee, that's a pretty dress," and she'll say, "What are you talking about? This is that old dress I wore all last summer." Some days you just can't lay up a cent.

Well, what I'm getting around to is this. The fellow who edits this little magazine, the *AGRICULTURAL SITUATION*, is named Jack Flowers. You'll see his name at the bottom of page 2. He has been worrying his head no end about the looks of this publication. He has been doing something about it too, trying out this, that, and one thing or another for some time now. The trouble is very few people have said anything about it. Oh, some of the professionals have made comments but he isn't editing it for professionals. The folks he

wants to hear from are the cooperating reporters. So I said, "O. K., Jack, I'll write them a letter and see what happens—maybe they won't even read it—I don't know."

Anyway, have you noticed anything different of late? Of course, I don't expect you to go back before he started using more drawings and designed the tricky headings for the articles and some other decorations like that fancy little curlicue he's got around "Bert Newell's Letter." Nor do I expect you to remember back before he got the printer to use a little larger type and leave more white space around the page so it didn't look so much like a blur when you picked it up. I'm asking you about the changes he has made in the last two or three issues.

I might as well be real blunt about it, Jack won't mind. He's been trying out different colored ink. A couple of months ago it was blue, last month it was green, this month it's brown. How do you like it? Which one do you like best? Have you any other ideas or suggestions?

We are honestly trying to make this little magazine the way you like it. We want to include articles that will be of interest and help you in your operations. Jack and his helpers think that if you make a publication look attractive and easy to read, more people will read it. And I think he's right, but we'd like to have your opinion. So give us a comment on this change in the color of the ink used. You don't have to write a special letter if you don't want to, just put a little note on your next crop, livestock, or price schedule. We'll get it.

Watch your step now. You'll make a real hit if you notice—and comment—on your wife's new clothes. I was poking around in the closet the other day and there's another dress hanging there that still has the tag on it—so I know that one's new. Wait till that one shows up—brother, is she going to get a surprise.

A. R. Newell

S. R. Newell
Chairman, Crop Reporting Board, AMS

SOIL BANK HIGHLIGHTS FOR 1956 CROP YEAR ARE LISTED BY USDA

The heart of the legislation in the Agricultural Act of 1956 is the Soil Bank. The law requires that the acreage reserve part of the Soil Bank be made operative for 1956 crops.

The comments of the Conference Committee on the bill state: "The Committee recognizes that the Secretary (of Agriculture) cannot be expected to accomplish the impracticable or to secure any large part of the beneficial results hoped for the Soil Bank in 1956, but it also recognizes that certain farmers have heretofore planned to participate this year and it is felt that they should be assured of the opportunity to do so."

Aids Market

In reviewing the many ideas as to what the Soil Bank is and what it might accomplish, Secretary of Agriculture Ezra Taft Benson said:

"To some people the Soil Bank is a way to reduce our surpluses and give a lift to farm prices. This is true.

"To others it is a conservation measure, to safeguard our soil and water resources for future generations. This is also true.

"Some people look on the Soil Bank as a way to increase farm income through Government payments. This has an element of truth. It will have a helpful effect on farm income. But most of that effect will come through buoyancy in the markets rather than through net additions to farm income resulting from the payments.

"The Soil Bank has been spoken of as drought relief, and a plow-up program. This is largely untrue.

"To the degree that I am able, I intend to see that the nation gets a dollar's worth of surplus reduction or a dollar's worth of conservation for every dollar paid out. The nation may

invest more than a billion dollars a year in this program for 4 years. Our farmers deserve a program which accomplishes what was intended and all of us as taxpayers deserve to see that these dollars earn what they were paid for.

"The Soil Bank must not be misused. To reduce surpluses and conserve resources will be difficult enough. We should not also load upon this program responsibility for drought relief, flood relief and credit needs. We should not make the Soil Bank over into the kind of a crop insurance program that a farmer takes out after his crop is lost.

"We shall have an acreage reserve program on 1956 crops as the law provides, although practically all the crops are already planted. It is my belief that this program will be of limited size. Farmers who have already planted, who have invested in seed, fertilizer, and gasoline, and who have a crop in prospect will not be inclined to participate.

Get the Facts

"Especially do I caution farmers against plowing under their crops on the basis of rumors or unauthorized information. We are getting the needed information out to our State and county committees as rapidly as we can. It is from these committees that farmers will receive the information they need with regard to their own farms. To proceed on the basis of unconfirmed information may result in disappointment.

"The program on the 1956 crop will not be a fair trial because it is so late. For the future our objective will be to make payments high enough to get the needed participation on a voluntary basis. And you can look for regulations tight enough to accomplish the objectives of the program."

SOIL BANK PAYMENT RATES SET FOR WHEAT, CORN, COTTON, AND RICE

The U. S. Department of Agriculture announced on May 31 the national average rates which will be used in determining payments which can be earned by corn, cotton, wheat, and rice farmers who participate in the 1956-crop Soil Bank program.

See Your ASC

Secretary of Agriculture Ezra Taft Benson cautioned farmers on one point: "No producer should go ahead with action to participate in the Soil Bank until he has checked with his local county ASC committee, and entered into an agreement with the committee regarding the practices he is to carry out."

Secretary Benson pointed out that the lack of time to get more complete information into farm areas makes this especially important. "We will get instructions to the county committees as rapidly as possible," he added.

The national average rates for reducing production below the established farm acreage allotment for 1956 crops of cotton, wheat, and rice and for reducing production below the base acreage for corn are as follows:

- Corn, 90 cents per bushel.
- Cotton, 15 cents per pound.
- Wheat, \$1.20 per bushel.
- Rice, \$2.25 per hundredweight.

Rates for peanuts and tobacco were scheduled to be announced later.

The payments which farmers can earn for participating in the Acreage Reserve will be determined by multiplying a base unit "rate" by a yield factor to be determined.

For the 1956 Soil Bank program, corn at 90 cents per bushel is 60 percent of \$1.50, the present national average price support. For cotton, at 15 cents per pound, it's 52 percent of 28.85 cents. Wheat at \$1.20 per bushel is 60 percent

of \$2, and rice at \$2.25 per hundredweight is 50 percent of \$4.50. These, of course, are national average prices.

Under the Acreage Reserve part of the program, farmers in areas where crops are not too far advanced will be able to qualify for payments in connection with their 1956 crops of corn, wheat, cotton (both upland and extra long staple), peanuts, rice, and most types of tobacco, by reducing their acreage below the established farm allotment or corn base acreage.

Farmers can qualify for the payments by putting land into the Acreage Reserve, and thus reducing their acreage of the crop below the established allotment (or base acreage in the case of corn) for the farm.

The rates and conditions as described in this announcement apply to 1956 production only. Before next year's crops are planted, including fall seeding of grain this year, the Department of Agriculture will have an opportunity to review and study all provisions in more detail. Such changes as are found to be desirable will be made and announced before the 1957 Soil Bank is underway.

Conservation Reserve

As for the Conservation Reserve part of the new Soil Bank program, regulations are being completed and will be announced later. Farmers who participate in the Conservation Reserve part of the Soil Bank program can earn two types of payments. The first will be a payment to cover a major part of the cost, including labor, of establishing a conservation practice. The second will be an annual payment during the period of the individual Conservation Reserve agreement. The annual Conservation Reserve payments will average out nationally at about \$10 an acre.

Corn Price Support Conditions Are Set

Conditions of eligibility for 1956-crop corn price supports at the different levels which reflect provisions of the recently enacted Agricultural Act of 1956 were announced by the U. S. Department of Agriculture.

The maximum price support for corn will be a national average of \$1.50 a bushel in the commercial corn area (the 840 designated commercial counties). Farmers in the commercial area may become eligible for this maximum support level by—

1. Complying with their corn acreage allotments, as determined on the basis of the previously announced national corn allotment of 43,281,000 bushels for the commercial corn area, or

2. Complying with the new Soil Bank price support requirements for corn price support.

To qualify for the maximum corn price support in commercial areas under the Soil Bank requirements, as in item 2, a farmer must put an acreage of his cropland equal to 15 percent of his corn "base acreage" into either the Acreage Reserve for corn or the Conservation Reserve.

To qualify through the Corn Acreage Reserve, a farmer must not have a corn acreage in excess of 85 percent of his corn base acreage; and he must design-

nate an acreage equal to 15 percent of his corn base acreage from which he has not and will not harvest a crop, cut hay, or graze in 1956.

To qualify for the maximum corn price in commercial areas through the Conservation Reserve, a farmer must not exceed his corn base acreage; and he must designate an acreage of general cropland equal to 15 percent of his corn base acreage which he will contract to devote to specified conservation uses, and from which he has not or will not harvest a crop, cut hay, or graze for the life of the contract. The contract may be from 3 to 15 years, depending on the type of conservation measure applied to the land.

Farmers in the commercial corn area who comply neither with their corn acreage allotments nor with the corn price support provisions of the Soil Bank will be eligible for the noncompliance rate of support—on the basis of the national average of \$1.25 a bushel, as previously announced.

Farmers in the noncommercial corn area (all counties not designated as commercial) will be eligible for price support at 82½ percent of the commercial area maximum rate, as determined with the usual county differentials.

Officials of the Department of Agriculture cautioned farmers to enter into an agreement with their local county ASC committee, and know specifically what adjustment is required, before they make adjustments in planted crops in anticipation of the Soil Bank.

FARMERS' PRICES

Indexes (1910-14=100)	1955		1956			
	May	Year (average)	February	March	April	May
Prices received by farmers.....	242	236	227	228	235	242
Parity index (prices paid, interest, taxes, and wage rates).....	282	281	280	282	284	286
Parity ratio.....	86	84	81	81	83	85

Plentiful Foods

MONTHLY LIST

July

Ice cream, and broilers and fryers are featured.

Other plentifuls are:

Turkeys . . . Milk and other dairy products . . . Fresh and processed lemons . . . Canned cranberry sauce . . . Fresh plums . . . Summer vegetables . . . Peanut butter . . . Canned tuna in oil.

These foods have been selected by the U. S. Department of Agriculture to receive merchandising and promotional help in July under the Plentiful Foods Program.

Special Campaign

USDA is again cooperating with the dairy industry in its annual JUNE IS DAIRY MONTH celebration—a promotion to increase the sales and consumption of milk and other dairy products through aggressive merchandising. All segments of the industry have joined in the effort to sell more dairy products during this month.

Farmer's share of consumer's food dollar

April 1956	40 percent
March 1956	39 percent
April 1955	42 percent

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